



**Glenwood Springs Municipal Airport
Semi-Annual Report to City Council
January 4, 2018**

Presented by the Airport Advisory Board



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Introduction

2017 was a year of transition for the Glenwood Springs Municipal Airport. Long-time Airport Manager Dick Weinberg retired after fifteen years and was succeeded by Amy Helm, an accomplished pilot and mechanic with lifelong ties to the Glenwood Springs Airport. The Airport once again generated sufficient revenues from fuel sales and user fees to fully cover the cost of Airport operations. Major accomplishments in 2017 included the completion of a multi-year process to update the Airport portions of the Municipal Code, modernization of our system for tracking fuel sales, and numerous physical improvements to the Airport property that make it safer and more welcoming to pilots and other Airport visitors. In addition, the new Airport Manager began a process of updating the Airport's marketing materials and expanding community outreach, including hosting an Aviation Expo that drew nearly 500 visitors. Plans for 2018 include attracting additional visitor traffic and increasing 100LL Fuel Sales; initiating Jet-A fuel sales on a trial basis; hosting more community outreach event(s); and working with the City on South Bridge planning. The Board also hopes to work with the City on developing a mechanism to address an increasing demand for limited hangar space.

Airport Revenue and Expenses

The Airport traditionally operates on a small but comfortable profit margin, consistent with its role as a shared community asset and City-owned Enterprise. Airport revenue comes predominantly from fuel sales and user fees. Final year figures are not yet available, but we anticipate that 2017 revenues will exceed expenses by approximately \$11,883. This is in line with historical averages for the past three years.

Table 1: Airport Revenues vs. Expenses, 2014-2017

	Year			
	2014	2015**	2016	2017 (estimated)
Total Expense	\$ 137,218.77	\$ 133,240.00	\$ 138,700.00	\$ 141,156.79
Total Revenue	\$ 145,973.47	\$ 144,596.00	\$ 148,200.00	\$ 153,040.29
Net to Fund	\$ 8,754.70	\$ 11,356.00	\$ 9,500.00	\$ 11,883.70

**2015 revenue figure excludes CDOT grant funding for runway replacement (approximately \$329k)

Fuel Sales

The Airport currently sells 100LL Avgas. The fuel price is set at \$1.00/gallon above the wholesale purchase price. Annual fuel sales for 2017 appear to be at or just slightly below 2016 levels (final figures were not available before this report was submitted.)

Chart 1: Gallons of Fuel Sold by Month, 2016 vs. 2017

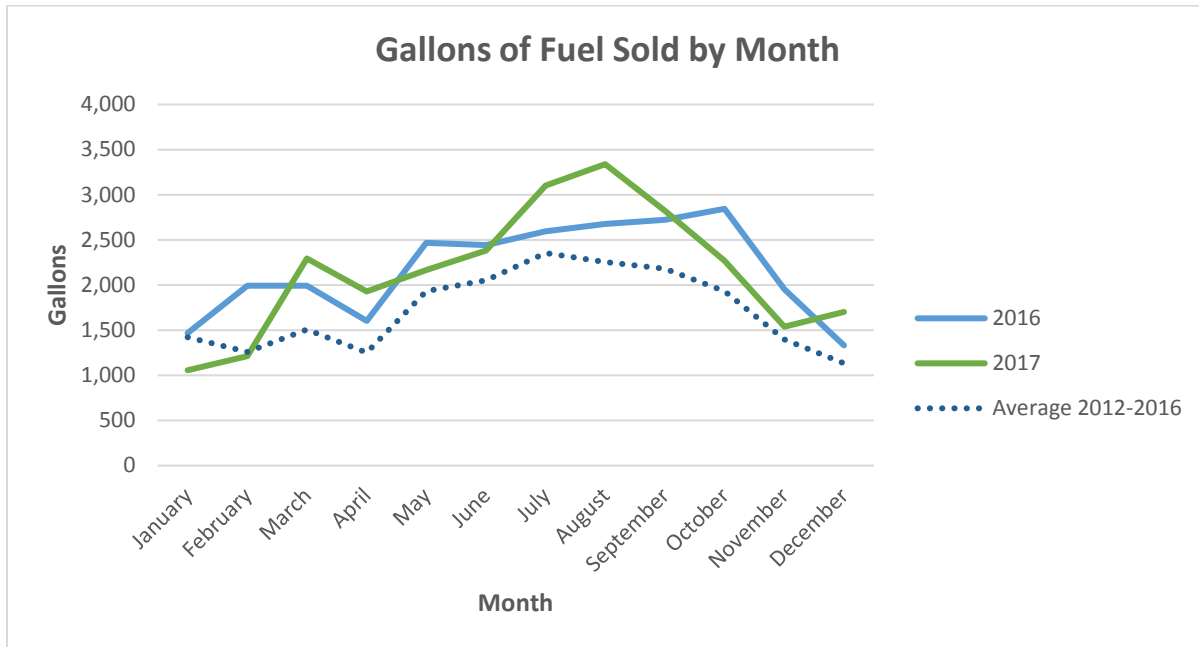
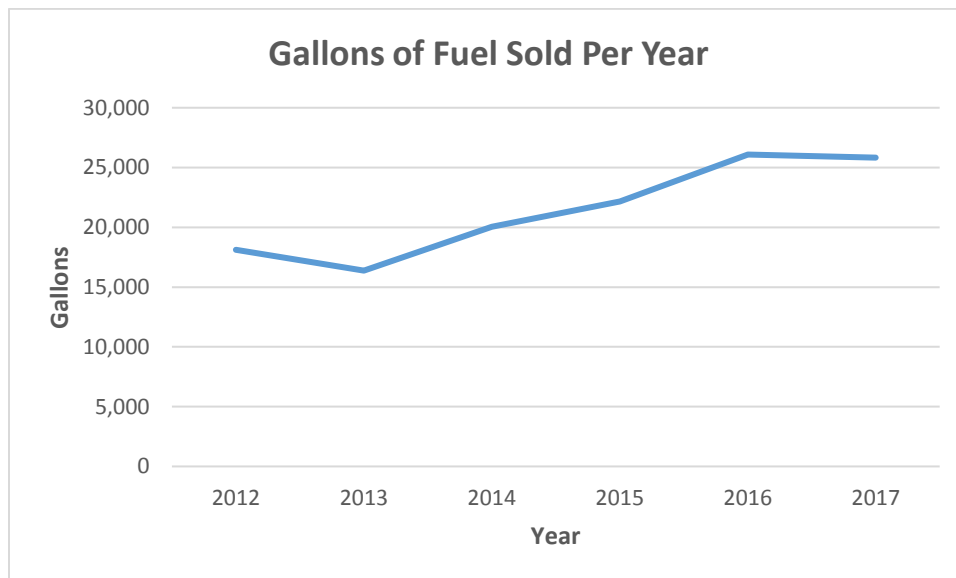


Chart 2: Gallons of Fuel Sold per Year, 2012 to 2017



It is worth noting that the Airport saw significantly higher fuel sales during the tourist months of July and August when compared with 2016 (19.6% and 24.8%, respectively). This increase was

observed even though Roaring Fork Skydivers, one of the Airport's largest fuel consumers in 2016, did not operate out of the Airport from June-December due to equipment and space issues.

User Fees

Airport User Fees consist of land leases, hangar leases, off-Airport user fees and long- and short-term tie downs. Absent any adjustment to Airport fees, potential revenue from land leases, hangar leases, and off-Airport user fees is capped at current levels as all available land and hangar leases are currently assigned. There was no change in Airport Fees between 2016 and 2017. 2017 Airport fees are listed in the chart below. (Note: The nightly tie-down fee has been increased to \$10 in 2018.)

Table 2: 2017 User Fees

Category	2017 Fee
Annual ground lease	\$550.00
Annual tie-down fee	\$550.00
Annual on-airport user fee	\$550.00
Annual off-airport user fee	\$480.00
Monthly tie-down fee	\$70.00
Nightly tie-down fee	\$9.00
Late fee payment charge	\$30.00

Approximately 63 planes and 9 helicopters are currently based at Glenwood Springs Airport. An EMS Fuel Truck is also stationed at the Airport and pays the equivalent of one yearly tie-down fee. Roughly half of the aircraft based in Glenwood are owned by residents of the 81601/81602 zip codes. The flight crew and staff for the EMS helicopter (4 pilots, 1 mechanic, and multiple flight nurses) are also resident in Glenwood.

The Airport collected \$40,808.00 in user fees in 2017, a 4.7% increase over 2016.

Table 3: Gross User Fees from 2014 to 2017

	2014	2015	2016	2017 (estimated)
Total User Fees	\$ 36,260.00	\$ 37,064.00	\$ 38,965.00	\$ 40,808.00

Expenses

Airport expenses were generally consistent or below budgeted expectations, with the following exceptions.

Part-time salaries and related expenses came in slightly higher than budgeted due to some required overlap during the new Airport Manager's training period and other required on-board training and certifications.

Maintenance/equipment expenses were higher than budgeted due to software upgrades for the Airport credit card reader, fuel system repairs, and maintenance expenses for the Airport plow vehicle. (Note: A portion of plow expenses may be reassigned to the Parks Department, which makes use of the vehicle approximately half of the year.)

Telephone expenses increased after the Board voted to add an internet connection to the Airport office. This allows the Airport Manager to perform additional work-related tasks at the Airport Office and provides an additional amenity for visiting pilots.

Insurance and miscellaneous fees also exceeded Finance Department estimates.

A complete list of estimated revenues and expenses is include as attachment A.

Economic and Community Impact

CDOT's most recent Economic Impact Study for the Glenwood Springs Airport, completed in 2013, estimates that the Glenwood Springs Municipal Airport contributes approximately \$3.9 million to the community, including 36 jobs and \$1.6 million in annual improvements. This includes airport, tenant, capital improvement and visitor impacts, as well as multiplier effects. In addition, the Airport grounds serve an important function as public open space. The following section highlights some specific business and community activities that took place in 2017.

Glenwood Springs Municipal Airport remained home to Aircraft Repair, LLC, an aircraft maintenance facility that services over 100 aircraft annually. Their specialty services include fabric restoration, aircraft rebuild, major repairs and alterations, annual inspections, and Robinson and Cirrus factory training. These specialties attract customers from all over the country who often spend additional money on fuel and tourist activities in Glenwood Springs. Aircraft Repair, LLC also provides all the maintenance service and requirements for Alpine Flight Training in Eagle, CO (four aircraft) and Aspen Higher Learning Flight Academy in Aspen, CO (four aircraft). These flight schools regularly fly to GWS for maintenance, flight training, and fuel purchases.

Roaring Fork Skydivers operated out of the Airport until mid-June, when they suspended regular operations due to equipment and space constraints. They have expressed interest in returning to the Airport in 2018 if they can find or build suitable hangar space for their operations.

The Airport has provided a base for numerous other activities including scenic flight and charter tours by various private operators; emergency services (Classic Air Medical, Flight for Life, Search and Rescue, Angel Flight, etc.); firefighting, pest control, and rock mitigation (CDOT, Forest Service); communications and tower maintenance (FAA, Century Link, Quest); flight instruction; and youth field trips and education (Roaring Fork School District, Young Eagles), among others.

Approximately 25% of tie-down traffic was from out of town visitors, many of whom spent more than one day in Glenwood to engage in recreational, tourist, and business activities.

Operational Improvements

Several projects completed in 2017 will improve the quality and efficiency of Airport Operations. These include the following.

Revised Airport Code

The City's Airport Code was revised to allow the Airport Manager to deal more effectively with the problem of derelict and abandoned aircraft located on the property. There is now a legal process to dispose of truly abandoned aircraft, as well as leverage the owners of aircraft that are not truly abandoned to pay outstanding fees and/or charges or face the risk of their aircraft being impounded. In addition, the new Code clarifies some existing procedures and recommends a formal long-term tie down agreement for aircraft parked outside of hangars.

Internet Connection and Software Upgrades

A computer with an Internet connection and Wi-Fi was installed in the Airport Office. The Airport manager can now quickly access on-line tools and resources pertinent to Airport operations. In addition, visiting pilots can use the WiFi to access information on local accommodations, transportation to/from the airport, current weather, and other information. Local flight instructors have been utilizing the FBO for ground school instruction and are able to access current weather and online pilot aids, such as ForeFlight and Garmin.

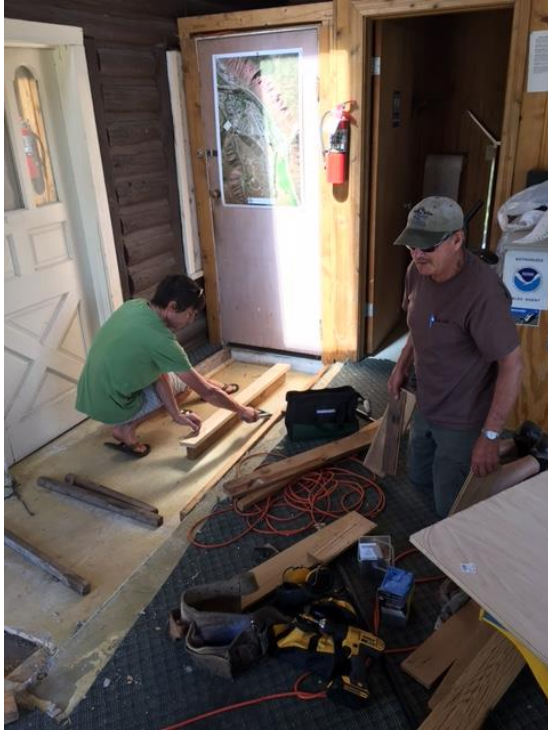
The Airport's credit card reader was updated to comply with new industry requirements. In addition, the Airport Manager installed new software that allows for more detailed tracking of fuel sales and efficient reconciliation of sales receipts.

Improvements to Buildings and Facilities

Over 30 pilots and friends of the Airport attended each of two workdays, donating time, talent, and building material to make the Airport safer and more welcoming to pilots and guests. Improvements included the installation of new windows, furniture, and carpeting in the Airport FBO, as well as landscaping and other improvements.



Volunteers tend to flower beds outside the Airport Office



Volunteers level the floor and install new carpeting in the Airport Office

All of this work was completed with donated materials and labor.

Additional wayfinding and parking signage was added to safely direct visitors to and from various Airport locations. Parking and vehicle maps were created with assistance from the City's GIS Department.

Marketing and Community Outreach

The Airport Manager began a process of updating the Airport's marketing materials and expanding community outreach, in partnership with the 501 (c) (3) non-profit Friends of the Glenwood Springs Airport. Significant accomplishments include a successful Aviation Expo/Open House, the creation of a social media presence, and development of an attractive logo for use on souvenir T-shirts, stickers, and posters.

Aviation Expo/Open House

The Aviation Expo/Airport Open House was held on August 19 on the Airport grounds. Between 400 and 500 people came out to enjoy the festivities, including food, music, games, scenic flights, aircraft displays, and 5k race/1k kids run. The Expo provided an opportunity for the community to learn more about the Airport and local aviation and appealed to both pilots and the general public. The event drew significant media attention and elicited positive feedback from members of the community.





Children experience “walking in the clouds”
at the Airport Expo



Pilots show off planes of all shapes and sizes
at the Airport Expo

Looking Ahead

Following a successful 2017, the Airport Board looks forward to the following activities in the coming year:

- Attracting additional visitor traffic and increasing 100LL Fuel Sales.
- Initiating Jet-A fuel sales on a trial basis. If successful, additional equipment needed to expand this program will be budgeted for in 2019.



Souvenir T-Shirts on Sale at the
Airport Office

- Building on the success of the Aviation Expo and hosting similar community outreach event(s).
- Working with the City on South Bridge planning.

In addition, the Board will be looking to address the following challenges.

Demand for Hangar Space

The Airport Board remains interested in developing an Airport Master Plan that can help them identify ways to optimize the level of activity at the Airport and accommodate additional aviation-related businesses and activities. The demand for hangar space significantly outstrips supply, but there is no plan that identifies appropriate areas for development and growth. Further, no mechanism exists to meet this demand on even a temporary basis.

As of late 2017, the Airport Manager maintained a waiting list of approximately 20 individuals who are interested in leasing or building new hangars on leased land at their own expense. A number of these requests are from businesses, including helicopter operations, maintenance, flight instruction, and sky-diving. Some have proposed building temporary hangar and storage structures as a short-term solution, with the City's approval. While there is some space at the Airport that could probably be used for this purpose, there is no mechanism in the Code to allow for such temporary structures.

The Airport Board is very interested in working with the City to find a way to accommodate this demand on both a short- and long-term basis.

Limited Funding for Capital Improvement

The Airport is not eligible for Federal Aviation Administration funds due to certain physical constraints and its designation as a non-NPIAS Airport. In addition, CDOT has temporarily limited eligibility for its Discretionary Aviation Grants to those Airports that qualify for FAA funds due to budget constraints. They currently do not anticipate lifting this restriction for another 2-3 years. As a result, any planned capital improvements will have to be funded by user fees, fuel sales, donations, or local/private grant sources. Building partnerships that enable us to make the best use of limited Airport funds will remain an important priority.

Attachment 1: Chart of Estimated Revenues and Expenses – 2017

REVENUE Line item	TOTAL	2017 Budget Amount	Total Revenue as % of 2017 Budget Forecast
27.1120 State Fuel Tax Refund	\$ 1,519.29	\$ 500.00	303.9%
27.1390 CO Aeronautics Grant	\$ -	\$ -	N/A
27.1460 Runway User Fee	\$ 2,880.00	\$ 3,000.00	96.0%
27.1461 Long Term Tie Down	\$ 9,278.00	\$ 7,200.00	128.9%
27.1462 Transient Tie Down	\$ 3,150.00	\$ 800.00	393.8%
27.3120 Interest Income	\$ -	\$ 100.00	0.0%
27.3138 Building Lease	\$ 8,800.00	\$ 13,000.00	67.7%
27.3139 Land Lease	\$ 16,700.00	\$ 15,000.00	111.3%
27.3140 Late Fee	\$ -	\$ -	0.0%
27.2260 Fuel Sales	\$ 110,713.00	\$ 102,000.00	108.5%
Gallons of Avgas Sold	25,814		
REVENUE TOTAL	\$ 153,040.29	\$ 141,600.00	108.1%
EXPENSE Line Item	TOTAL	2017 Budget Amount	% Budget Spent YTD
27.211.6110 Full-Time Salaries	\$ -	\$ -	N/A
27.211.6130 Part-Time Salaries	\$ 14,121.37	\$ 12,540.00	112.6%
27.211.6210 Retirement Contr	\$ -	\$ -	N/A
27.211.6240 FICA	\$ 1,080.29	\$ 959.00	112.6%
27.211.6250 Worker's Comp	\$ 19.94	\$ 28.00	71.2%
27.211.6260 Health & Life Ins	\$ -	\$ -	N/A
27.211.6270 Unemployment Ins	\$ 42.34	\$ 38.00	111.4%
27.211.7190 Other Pro Services	\$ 516.00	\$ 1,000.00	51.6%
27.211.7220 Telephone	\$ 2,345.40	\$ 1,649.00	142.2%
27.211.7280 Advertising & Pubs	\$ 303.50	\$ 600.00	50.6%
27.211.7310 Electricity	\$ 1,296.12	\$ 1,395.00	92.9%
27.211.7350 Trash	\$ 530.23	\$ 1,009.00	52.6%
27.211.7540 Maint-Machinery & Equipment	\$ 8,069.40	\$ 5,000.00	161.4%
27.211.7570 Depreciation	\$ 10,428.99	\$ 20,000.00	52.1%
27.211.7620 Liability Insurance	\$ 6,634.08	\$ 4,484.00	148.0%
27.211.7740 Rent & Lease Exp	\$ 4,440.00	\$ 6,321.00	70.2%
27.211.7900 Interfund cost	\$ 2,401.00	\$ 6,039.00	39.8%
27.211.8060 Office Supplies	\$ 215.24	\$ 250.00	86.1%
27.211.8070 Fees & Charges	\$ 2,411.80	\$ 1,800.00	134.0%
27.211.8071 Contract Services	\$ -	\$ 10,000.00	0.0%
27.211.8080 Aviation Fuel	\$ 85,336.82	\$ 85,000.00	100.4%
27.211.8090 Other Ops Exp	\$ 964.07	\$ 1,820.00	53.0%
27.211.8110 Storm Water Management	\$ -	\$ -	N/A
27.211.9400 Grant Costs	\$ -	\$ -	N/A
TOTAL EXPENSES	\$ 141,156.59	\$ 159,932.00	88.3%
TOTAL REVENUE (Row 13)	\$ 153,040.29		
AIRPORT FUND NET INCOME	\$ 11,883.70		